



INTIRETY
WEALTH MANAGEMENT

BOTH

403(b)

457(b)

403(b)

457(b)

Contribution limits 2024

\$23,000

Age 50 catch-up

\$7,500

Special catch-up

15-year rule: 15 years of service with current employer and an annual average contribution of less than \$5,000 per year eligible for extra \$3,000 per year up to a lifetime maximum catch up of \$15,000. Employers not required to make this provision available.

3-year rule: Three years prior to normal retirement age (as defined by the plan) employee may contribute two times current year's normal retirement contribution limit. Employers not required to make this provision available.

How to start?

Salary reduction agreement

In-service withdrawal?

Age 59-1/2 (must be permitted by employer)

Mutual funds permitted?

Yes

Annuities?

Yes

Loans

Subject to availability and any additional conditions applied by individual vendors. IRS limits loans to the lesser of:
\$50,000
One half of account value

Contribute to both?

Yes

Roth option?

Yes

Federal penalty free withdrawal

- Separate from service during or after the year you reach age 55
- Retire before age 55 and arrange a schedule of Substantially Equal Periodic Payments (SEPP)
- Working and reached age 59 1/2

- Separate from service
- Working and reached age 59-1/2 (if plan document allows)

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Hardship withdrawal

Hardship distributions permitted by IRS, but are not required to be made available. Check with vendor for details.

Unforeseen emergency withdrawals permitted if employee is under severe financial distress. The emergency must be unexpected and unanticipated. Check with vendor for details.

Job change

- Assets may be transferred to new employer's plan if permitted by that plan.
- Assets may be moved to a rollover IRA at an institution of choice.
- If permitted may leave the money in current plan. If account less than \$5,000, may be required to transfer assets. Check with employer for details.
- 403(b): Can take a lump sum distribution, but early withdrawal penalties and tax consequences may apply (unless age 59-1/2 or 55+ and retiring)
- 457(b): Can take a lump sum distribution penalty free (taxes will apply).

Divorce

Some or all of the balance may be transferred. Distribution to alternate payee will be permitted if it is made pursuant to a qualified domestic relations order (QDRO).

Death

Death benefits are paid to a beneficiary or beneficiaries on file with vendor.

Required min distribution

Age 72